

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6982

BILL NUMBER: SB 223

NOTE PREPARED: Feb 8, 2011

BILL AMENDED: Jan 27, 2011

SUBJECT: Medical Licensing Board Investigations.

FIRST AUTHOR: Sen. Miller

FIRST SPONSOR: Rep. Crouch

BILL STATUS: As Passed Senate

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State

Summary of Legislation: (Amended) *Medical Licensing Board*- The bill authorizes the Medical Licensing Board of Indiana (MLB) to investigate and assess civil penalties for specified violations by licensed physicians.

Attorney General- The bill requires the Division of Consumer Protection within the Office of the Attorney General (AG) to forward complaints for specified violations to the MLB unless certain circumstances are met.

Appeals- The bill allows a physician who is determined by the MLB to have committed a violation to appeal the MLB's determination.

Physician Compliance Fund- The bill establishes the Physician Compliance Fund (PCF) consisting of penalties assessed and collected by the MLB for violations determined by the MLB through investigations.

Reporting Requirements- The bill specifies reporting requirements that the MLB must make to the National Practitioner Data Bank concerning disciplinary action taken by the MLB, and prohibits the MLB from reporting specified administrative penalties.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *Medical Licensing Board*- The MLB would investigate complaints concerning licensed physicians that currently are investigated by the AG's Division of Consumer Protection. If many complaints are transferred from the Division of Consumer Protection, the MLB could require more

meetings to conduct the additional hearings and appeals. Additional board meetings would result in more per diem paid to the members of the MLB to conduct the business brought on by investigations.

The Professional Licensing Agency (PLA) work group assigned to the MLB would see an increase in their workload to provide the administrative support to the MLB's investigations. The additional funds and resources required by the PLA could be supplied through existing staff and resources currently being used in another program or with new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

Attorney General- This provision would reduce the AG's Division of Consumer Protection administrative time devoted to MLB investigations.

Explanation of State Revenues: *Physician Compliance Fund-* The bill would establish the PCF to fund the administration and enforcement of investigations of physicians conducted by the MLB. The PCF would consist of revenue from civil penalties collected by the MLB from physicians that have been determined by the MLB to have committed a violation. The amount of revenue the PCF could receive is indeterminable, and would depend on the number of civil penalties assessed in future years by the MLB. The bill places a limit of \$1,000 per penalty assessed by the MLB for a violation. Revenue in the PCF at the end of a state fiscal year would not revert to the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: AG, PLA.

Local Agencies Affected:

Information Sources: Professional Licensing Agency.

Fiscal Analyst: Chris Baker, 317-232-9851.